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DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-819]

Steel Concrete Reinforcing Bar from the Republic of Turkey: Preliminary Results of Countervailing Duty Administrative Review and Intent to Rescind the Review in Part; 2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminary determines that producers/exporters of steel concrete reinforcing bar (rebar) from the Republic of Turkey (Turkey) received net countervailable subsidies during the period of review (POR) January 1 through December 31, 2017. Commerce preliminarily determines that the mandatory respondents, Icdas Celik Enerji Tersane ve Ulasim Sanayi A.S. (Icdas), and Kaptan Demir Celik Endustrisi ve Ticaret A.S. and Kaptan Metal Dis Ticaret Ve Nakliyat A.S. (collectively, Kaptan), each received *de minimis* net countervailable subsidies during the POR. This review also includes 15 companies not individually examined, which Commerce preliminarily determines received net countervailable subsidies. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Nancy Decker, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue NW, Washington, DC 20230; telephone: (202) 482-0196.

SUPPLEMENTARY INFORMATION:

Background

On February 6, 2019, Commerce published a notice of initiation of an administrative review of the countervailing duty order on rebar from Turkey.¹ On July 25, 2019, Commerce extended the deadline for the preliminary results to January 9, 2020.² For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included as the appendix to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>, and to all parties in the Central Records Unit, Room B8024 of the main Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

Scope of the Order⁴

The merchandise covered by the *Order* is steel concrete reinforcing bar (rebar) imported in either straight length or coil form regardless of metallurgy, length, diameter, or grade. For a complete description of the scope, *see* the Preliminary Decision Memorandum.

¹ *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 2159, 2168 (February 6, 2019). A clarification regarding the initiation was also published. *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 9297, 9307 n.11 (March 14, 2019).

² *See* Memorandum, "Steel Concrete Reinforcing Bar from the Republic of Turkey: Extension of Deadline for Preliminary Results in 2017 Countervailing Duty Administrative Review," dated July 25, 2019.

³ *See* Memorandum, "Decision Memorandum for the Preliminary Results of Countervailing Duty Administrative Review of and the Preliminary Intent to Rescind, in Part: Steel Concrete Reinforcing Bar from the Republic of Turkey; 2017," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See Steel Concrete Reinforcing Bar from the Republic of Turkey: Countervailing Duty Order*, 79 FR 65926 (November 6, 2014) (*Order*).

Methodology

Commerce is conducting this administrative review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each subsidy program found countervailable, we preliminarily find that there is a subsidy, *i.e.*, a government-provided financial contribution that gives rise to a benefit to the recipient, and that the subsidy is specific.⁵ For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

Intent to Rescind Administrative Review, in Part

Agir Haddecilik A.S. (Agir), Asil Celik Sanayi ve Ticaret A.S. (Asil), Ege Celik Endustrisi Sanayi ve Ticaret A.S. (Ege), Ekinciler Demir ve Celik Sanayi Anonim Sirketi (Ekinciler), and Kocaer Haddecilik Sanayi ve Ticar (Kocaer) timely filed no-shipments certifications.⁶ U.S. Customs and Border Protection (CBP) did not provide Commerce with any contrary information. Because there is no evidence on the record to indicate that Agir, Asil, Ege, Ekinciler, or Kocaer had entries, exports, or sales of subject merchandise to the United States during the POR, pursuant to 19 CFR 351.213(d)(3), we intend to rescind the review with respect to these companies.

Entries of merchandise produced and exported by Habas Sinai ve Tibbi Gazlar Istihsal Endustrisi A.S. (Habas) are not subject to countervailing duties under this *Order* because

⁵ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁶ See Agir's letter, "Steel Concrete Reinforcing Bar from Turkey (C-489-819): Countervailing Duty Administrative Review (1/1/17 - 12/31/17)," dated February 22, 2019; Asil's letter, "Steel Concrete Reinforcing Bar from Turkey (C-489-819): Countervailing Duty Administrative Review (1/1/17 - 12/31/17)," dated February 22, 2019; Ege's letter, "Steel Concrete Reinforcing Bar from Turkey (C-489-819), Countervailing Duty Administrative Review (1/1/17 - 12/31/17), Certification Of No Sales," dated March 5 2019; Ekinciler's letter, "Steel Concrete Reinforcing Bar from Turkey (C-489-819): Countervailing Duty Administrative Review (1/1/17 - 12/31/17)," dated February 21, 2019; and Kocaer's letter, "2017 Countervailing Duty Administrative Review Involving Steel Concrete Reinforcing Bar from the Republic of Turkey: Notice of No Sales," dated February 21, 2019.

Commerce's final determination with respect to this producer/exporter combination was negative.⁷ However, any entries of merchandise produced by any other entity and exported by Habas or produced by Habas and exported by another entity are subject to this *Order*.

Because there is no evidence on the record of entries of merchandise produced by another entity and exported by Habas, or entries of merchandise produced by Habas and exported by another entity, we preliminarily determine that Habas is not subject to this administrative review. Therefore, pursuant to 19 CFR 351.213(d)(3), we intend to rescind the review with respect to Habas.

A final decision on whether to rescind the review of Agir, Asil, Ege, Ekinciler, or Kocaer, and Habas will be made in the final results of this administrative review.

Companies Not Selected for Individual Review

To determine the rate for companies not selected for individual examination, Commerce's practice is to weight average the net subsidy rates for the selected mandatory companies, excluding rates that are zero, *de minimis*, or based entirely on facts available.⁸ In this review, we preliminarily calculated *de minimis* subsidy rates for each of the mandatory respondents (*i.e.*, Icdas and Kaptan) during the POR. In countervailing duty proceedings, where the number of respondents being individually examined has been limited, Commerce has determined that a "reasonable method" to use to determine the rate applicable to companies that were not individually examined when all the rates of selected mandatory respondents are zero or *de minimis* is to assign to the non-selected respondents the average of the most recently

⁷ See *Steel Concrete Reinforcing Bar from the Republic of Turkey: Final Affirmative Countervailing Duty Determination and Final Affirmative Critical Circumstances Determination*, 79 FR 54963, 54964 (September 15, 2014).

⁸ See, *e.g.*, *Certain Pasta from Italy: Final Results of the 13th (2008) Countervailing Duty Administrative Review*, 75 FR 37386, 37387 (June 29, 2010).

determined rates that are not zero, *de minimis*, or based entirely on facts available.⁹ However, if a non-selected respondent has its own calculated rate that is contemporaneous with or more recent than such previous rates, Commerce has found it appropriate to apply that calculated rate to the non-selected respondent, even when that rate is zero or *de minimis*.¹⁰

In the most recently completed administrative review of this order, we calculated a net subsidy rate of 1.82 percent *ad valorem* for Colakoglu Dis Ticaret A.S. and Colakoglu Metalurji A.S.¹¹ Therefore, consistent with Commerce’s practice, described above, we are assigning the rate of 1.82 percent *ad valorem* to Colakoglu Dis Ticaret A.S. and Colakoglu Metalurji A.S., based on the companies’ rate calculated in the prior review.

With regard to the 13 remaining non-selected companies, for which an individual rate was not calculated, we are assigning the rate of 2.29 percent *ad valorem*, which is the average of the above *de minimis* rates calculated in the last review.¹²

Preliminary Results of the Review

We preliminarily find that the net countervailable subsidy rates for the period January 1, 2017 through December 31, 2017, are as follows:

Company	Subsidy Rate <i>Ad Valorem</i>
Icdas Celik Enerji Tersane ve Ulasim Sanayi A.S. and its cross-owned affiliates ¹³	0.41 percent (<i>de minimis</i>)

⁹ See, e.g., *Circular Welded Carbon Steel Pipes and Tubes from Turkey: Final Results of Countervailing Duty Administrative Review; Calendar Year 2012 and Rescission of Countervailing Duty Administrative Review, in Part*, 79 FR 51140, 51141 (August 27, 2014); and *Cut-to-Length Carbon-Quality Steel Plate from the Republic of Korea: Final Results of Countervailing Duty Administrative Review; 2012*, 79 FR 46770 (August 11, 2014), and accompanying Issues and Decision Memorandum at “Non-Selected Rate.”

¹⁰ *Id.*

¹¹ See *Steel Concrete Reinforcing Bar from the Republic of Turkey: Final Results and Partial Rescission of Countervailing Duty Administrative Review; 2016*, 84 FR 36051, 36052 (July 26, 2019).

¹² *Id.* The average of the two calculated rates that were above *de minimis* equals 2.29 percent.

¹³ Commerce preliminarily finds the following companies to be cross-owned with Icdas: Mardas Marmara Deniz Isletmeciligi A.S., Oraysan Insaat Sanayi ve Ticaret A.S., Artmak Denizcilik Ticaret ve Sanayi A.S., Artım Demir

Kaptan Demir Celik Endustrisi ve Ticaret A.S. and Kaptan Metal Dis Ticaret ve Nakliyat A.S. and their cross-owned affiliates ¹⁴	0.19 percent (<i>de minimis</i>)
Acemar International Limited	2.29 percent
A G Royce Metal Marketing	2.29 percent
As Gaz Sinai ve Tibbi Gazlar A.S.	2.29 percent
Bastug Metalurji Sanayi AS	2.29 percent
Colakoglu Dis Ticaret A.S.	1.82 percent
Colakoglu Metalurji A.S.	1.82 percent
Demirsan Haddecilik Sanayi Ve Ticaret AS	2.29 percent
Diler Dis Ticaret AS	2.29 percent
Duferco Investment Services SA	2.29 percent
Duferco Celik Ticaret Limited	2.29 percent
Izmir Demir Celik Sanayi A.S.	2.29 percent
Mettech Metalurji Madencilik Muhendislik Uretim Danismanlik ve Ticaret Limited Sirketi	2.29 percent
MMZ Onur Boru Profil A.S.	2.29 percent
Ozkan Demir Celik Sanayi A.S.	2.29 percent
Wilmar Europe Trading BV	2.29 percent

Assessment Rates

Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results, Commerce shall determine, and CBP shall assess, countervailing duties on all appropriate entries covered by this review. We intend to issue instructions to CBP 15 days after publication of the final results of this review.

Cash Deposit Requirements

Pursuant to section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for each of the respective companies listed above, except, where the rate calculated in the final results is *de minimis*, no cash deposit will be required on shipments of the subject merchandise entered or withdrawn from

Inşaat Turizm Sanayi Ticaret Ltd. Sti., Anka Entansif Hayvancılık Gıda Tarım Sanayi ve Ticaret A.S., and Eras Taşımacılık Taahhut İnşaat ve Ticaret A.S.

¹⁴ Commerce preliminarily finds the following companies to be cross-owned with Kaptan: Kaptan Is Makinalari Hurda Alim Satim Ltd. Sti, and Efesan Demir San. Ve Tic. A.S.

warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to collect cash deposits at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

We will disclose to the parties in this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of this notice.¹⁵ Interested parties may submit written arguments (case briefs) on the preliminary results within 30 days of publication of the preliminary results, and rebuttal comments (rebuttal briefs) within five days after the time limit for filing case briefs.¹⁶ Pursuant to 19 CFR 351.309(d)(2), rebuttal briefs must be limited to issues raised in the case briefs. Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁷

Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request within 30 days after the date of publication of this notice.¹⁸ Requests should contain the party's name, address, and telephone number, the number of participants, and a list of the issues to be discussed. If Commerce receives a request for a hearing, we will inform parties of the scheduled date for the hearing, which will be held at the main Commerce building at a time and location to be determined.¹⁹ Parties should confirm by telephone the date, time, and location of the hearing.

¹⁵ See 19 CFR 351.224(b).

¹⁶ See 19 CFR 351.309(c)(1)(ii); 351.309(d)(1); and 19 CFR 351.303 (for general filing requirements).

¹⁷ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

¹⁸ See 19 CFR 351.310(c).

¹⁹ See 19 CFR 351.310.

Parties are reminded that briefs and hearing requests are to be filed electronically using ACCESS and received successfully in their entirety by 5:00 p.m. Eastern Time on the due date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, Commerce intends to issue the final results of this administrative review, including the results of our analysis of the issues raised by parties in their comments, within 120 days after publication of these preliminary results.

Notification to Interested Parties

These preliminary results of review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213 and 351.221(b)(4).

Dated: January 9, 2020.

Jeffrey I. Kessler,
Assistant Secretary
for Enforcement and Compliance.

APPENDIX

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Intent to Rescind the 2017 Administrative Review, in Part
- IV. New Subsidy Allegation
- V. Non-Selected Rate
- VI. Scope of the Order
- VII. Subsidies Valuation Information
- VIII. Analysis of Programs
- IX. Recommendation

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